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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
Telecommunications Relay Services)
And Speech-to-Speech Services for)
Individuals with Hearing and Speech)
Disabilities)
_____)

CC Docket Nos. 98-67 and 90-571

COMMENTS OF SPRINT CORPORATION

Sprint Corporation ("Sprint"), pursuant to Public Notice DA 00-2739 released December 6, 2000, hereby respectfully submits its comments on the TRS cost recovery guidelines recommended by the Interstate Fund Advisory Council ("Council") and the TRS Fund Administrator ("Administrator") in their November 9, 2000 filing. Sprint limits its comments here to the recommended cost recovery guidelines for video relay service ("VRS").

As the Council and Administrator recognize, it will be more expensive to provide VRS than traditional TRS. Unlike traditional TRS, the provision of VRS requires the deployment of video technology and the hiring of qualified interpreters to serve as Communications Assistants ("CAs"). The up-front technology costs "could be substantial" and the wages and other benefits necessary to attract and retain qualified interpreters "will be significant." Recommended TRS Cost Recovery Guidelines ("Recommended Guidelines") at 8. Thus, if the Commission's goal of having VRS develop into a viable service is to be realized, the Commission must act to minimize the costs involved in providing VRS and to ensure that relay providers that offer VRS are able to recover their full costs in a reasonable and timely manner. Unless the Commission takes such actions, Sprint doubts that VRS will be widely offered. Carriers (and ultimately their customers)

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will balk at funding such an expensive service. Moreover, relay providers will be reluctant to provide VRS if the recovery of their substantial up-front investments will extend over a rather long period of time or that, even worse, they may not be able to fully recover such investments.

Sprint believes that one way in which the Commission can reduce the costs of VRS is to relax the minimum requirements for that service. With few exceptions, VRS must meet the mandatory minimum standards for TRS. For example, providers of VRS must comply with the new speed of answer requirement (the so-called "85/10" rule) now required for traditional TRS. To meet this requirement, VRS providers will have to hire more qualified interpreters than would otherwise be justified based on the volume VRS traffic. Thus, even if a VRS provider receives on average one call per hour at its VRS center, it nonetheless will likely have to have two or three qualified interpreters on duty each hour for those rare occasions when two or more calls arrive at the VRS center at approximately the same time. Plainly, a VRS provider will not be able to realize any economies of scale under such circumstances.

To aggravate matters further, VRS providers may not be able to attract qualified interpreters absent relatively generous wage and benefits packages. Moreover, the systems that would be necessary to monitor and measure speed of answer as well as blocking levels are simply not available for VRS and will be expensive to develop. In short, compliance with the 85/10 rule will increase the provider's costs for VRS substantially..

Similarly, it makes little sense to require VRS providers to comply with the new requirements for handling emergency calls and providing pay-per-call services. Even if the costs of the systems necessary for the VRS provider to meet such requirements are not substantial -- and Sprint strongly doubts that this is the case -- the costs would have been needlessly incurred since it is unlikely in the extreme that a person would use VRS to place these types of calls. This

is so because users generally cannot make VRS calls from convenience of their homes or offices and instead must travel to the place, such as a mall, where the TRS provider has installed the video equipment necessary to provide VRS.¹ Obviously, a person with an emergency is probably not in a position to travel to site where the VRS provider has installed its video equipment in order to make an E911 call through VRS. Similarly, a person making a 900 pay call to obtain information (*e.g.*, answers to crossword puzzle clues) or to participate in a poll may not want to waste the time or incur the additional expense of travelling to a mall merely to obtain such information or participate in such poll through VRS.²

In addition to reducing costs by relaxing or perhaps eliminating the minimum requirements applicable to TRS for the provision of VRS, Sprint believes that the Commission should also develop innovative methods that would enable VRS providers to recover their costs of providing the service in a reasonable and timely manner. As stated, the Council and Administrator acknowledge that the up-front non-recurring costs that a VRS provider would have to expend in establishing the service are likely to be substantial. Recommended Guidelines at 8. Yet, the Council and Administrator have recommended that these substantial up-front costs be recovered on a completed minutes of use basis at a national average reimbursement rate. *Id.* Such method provides no assurance that relay providers offering VRS would be able to recover

¹ The State of Texas provides a subsidy to VRS users to purchase the necessary video equipment to enable them to place VRS calls from their homes. Sprint does not know whether the subsidy covers the entire cost of the equipment. Nor is it aware of the success of the subsidy program in generating potential VRS customers. Notably in October 2000, Sprint's VRS service in Texas generated less than 3800 total session minutes and considerably less completed call minutes. The small volume of VRS traffic in Texas being handled by Sprint would suggest that relatively few individuals have ready access to or can afford ready access to video conferencing systems.

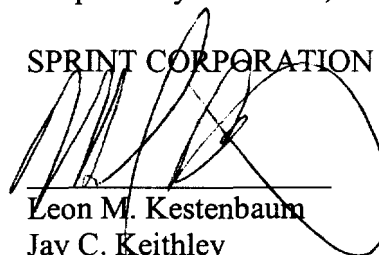
² Perhaps a person may want to obtain pay-per-call adult services through VRS regardless of the location of the video provider's site. But to require VRS providers to incur the significant costs of providing such pay-per-call services through VRS is hardly in the public interest.

their initial investments in VRS within a reasonable period of time. Indeed, given that the volumes of VRS traffic are small and given that it is uncertain that even these small volumes will be achieved in any given month leads to inescapable conclusion that VRS providers are unlikely to recover their up-front costs in a time frame that would enable them to consider an investment in VRS to be economically rational. This, in turn, means that a relay provider is unlikely to elect to provide VRS.

Thus, Sprint believes that a new funding mechanism is necessary to provide the proper incentives to relay providers to offer VRS. One such method may be to provide the VRS provider with a flat monthly payment based on an assumed number of minutes. Such "guaranteed" monthly payment would not be dependant on the vagaries of traffic volumes in any given month and would at least provide some assurance to a VRS provider that it would be able to recover its up-front costs within a reasonable period. Once the service generates sufficient and consistent monthly volumes, this method could be abandoned in favor of the one proposed by the Council and Administrator in the Recommended Guidelines.

Respectfully submitted,

SPRINT CORPORATION

A large, stylized handwritten signature in black ink, likely belonging to Leon M. Kestenbaum, is written over the printed name and extends upwards into the space above the signature line.

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January 5, 2001

CERTIFICATE OF SERVICE

I hereby certify that a copy of the Comments of Sprint Corporation in CC Docket Nos. 98-67 and 90-571 was sent by United States first-class mail, postage prepaid, or Hand Delivery on this 5th day of January, 2001 to the following parties.



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